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**CENTRAL INTELLIGENCE AGENCY**

Office of Legislative Counsel

Washington, D. C. 20505

Telephone: [redacted]

18 February 1982

**TO:** Mr. Peter Galbraith  
Committee on Foreign Relations  
United States Senate  
Washington, D.C. 20510

Peter:

Enclosed is the answer to Senator Pell's question on Soviet arms sales to India. Hope this helps.

Sincerely,

[redacted signature box]

Enclosure

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Original - Addressee

1 - EA Record

1 - EA Chrono

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16 FEB 1982

USSR - India

The Soviet Union is India's principal arms benefactor, having supplied about two-thirds -- \$6.4 billion -- of the value of all Indian foreign arms procurement. Since the Soviet military aid program was started in 1960, concessional credit sales have characterized virtually all arms purchases. Down-payments on military acquisitions have typically ranged between ten-twenty percent with the balance spread over ten to twenty years at low interest rates (2-5 percent), and repayment made either in rupees and/or Indian manufactures. The massive \$2 billion Soviet accord in 1980 exemplified the privileged position India holds with Moscow -- 17-year repayment terms at 2 1/2 percent interest in rupees. No other major purchaser of Soviet arms is provided such concessionary terms.

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